

**WEST RAND
DISTRICT MUNICIPALITY**



OFFICE OF THE MUNICIPAL MANAGER

National Treasury
Private Bag X115
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0001

TV Pillay
Chief Director: MFMA Implementation

<p>SUBMISSION OF ANNUAL FINANCIAL STATEMENTS: GAUTENG MUNICIPALITIES: FINANCIAL YEAR 2008/9: MFMA, 2003 (ACT NO. 56 OF 2003)</p>

The above matter has reference.

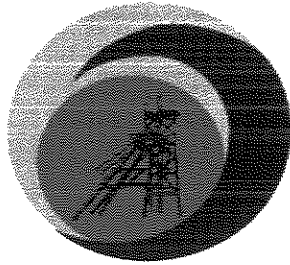
Attached hereto are the annual financial statements from the West Rand District Municipality as stipulated in the MFMA Act 56 of 2003.

Yours faithfully,

TZ MOKHATLA
MUNICIPAL MANAGER

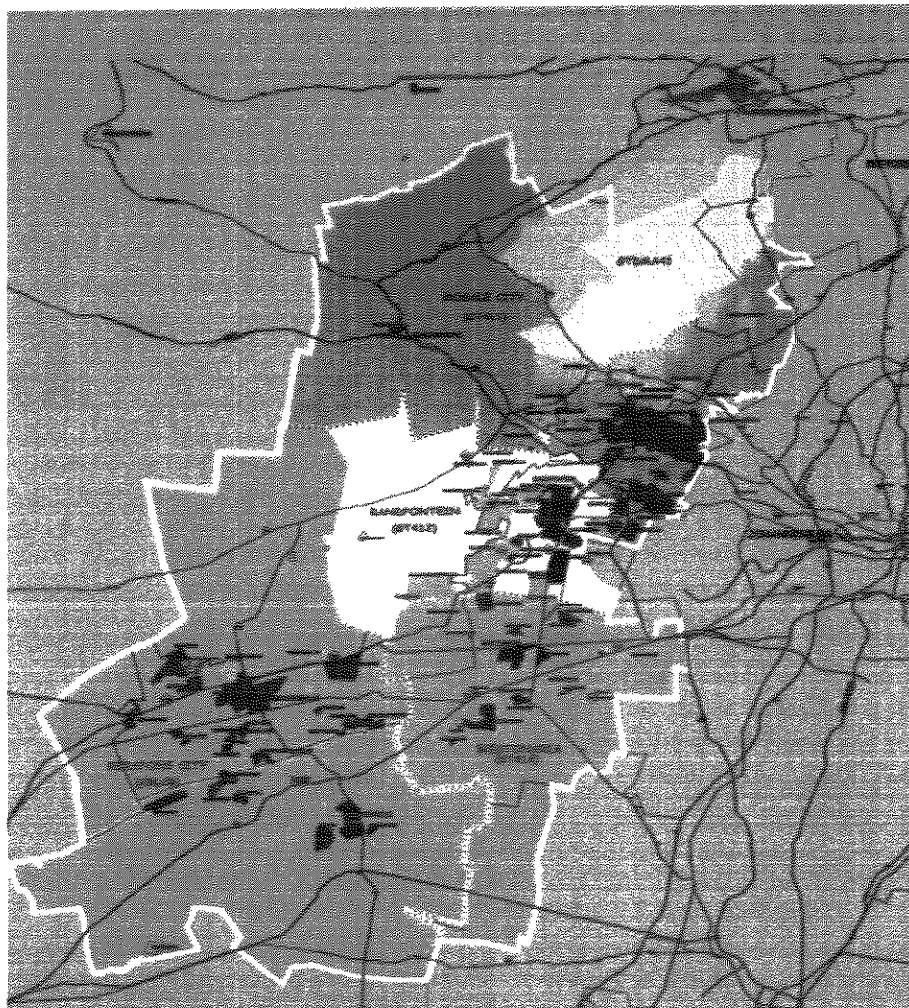
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WEST RAND DISTRICT MUNICIPALITY



FINANCIAL STATEMENTS FOR THE YEAR ENDED

30 JUNE 2009



WEST RAND DISTRICT MUNICIPALITY

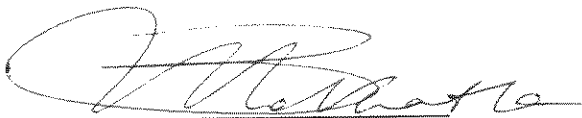
ANNUAL FINANCIAL STATEMENTS

for the year ended

30-Jun-09

I am responsible for the preparation of these annual financial statements, which are set out on pages 1 to 36, in terms of Section 126(1) of the Municipal Finance Management Act and which I have signed on behalf of the Municipality.

I certify that the salaries, allowances and benefits of Councillors as disclosed in note 15 of these annual financial statements are within the upper limits of the framework envisaged in Section 219 of the Constitution, read with the Remuneration of Public Officer Bearers Act and the Minister of Co-operative Governance and Traditional Affairs determination in accordance with this Act.



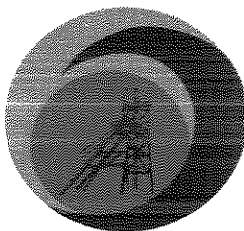
Mr TZ Mokhatla
Municipal Manager



Date

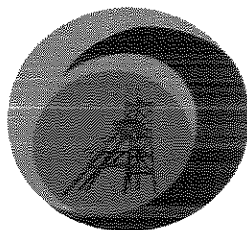
West Rand District Municipality

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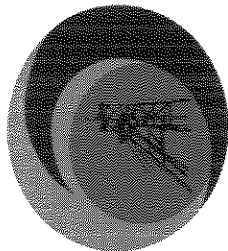
WEST RAND DISTRICT MUNICIPALITY
STATEMENT OF FINANCIAL POSITION AT 30 June 2009

	Note	2009 R	2008 R
NET ASSETS AND LIABILITIES			
Net assets		136,573,566	119,884,243
Housing development fund			0
Transport fund	1	757,808	1,355,207
Capital replacement reserve		21,868,014	14,131,695
Government grant reserve		20,365,558	20,398,686
Revaluation reserve		32,887,499	32,887,499
Accumulated surplus		60,694,687	51,111,156
Non-current liabilities		15,279,320	16,565,608
Long-term liabilities	2	15,279,320	16,565,608
Non-current provisions	3	-	0
Current liabilities		54,139,668	27,903,802
Provisions	3	17,944,013	11,837,996
Creditors	4	7,156,520	8,572,404
Unspent conditional grants & receipts	5	22,997,543	1,979,008
VAT	6	-	419,138
Current portion of long-term liabilities	2	6,041,592	5,095,256
Total net Assets and Liabilities		205,992,554	164,353,653
ASSETS			
Non-current assets		73,248,315	72,216,261
Property, plant and equipment	9.1	70,596,645	70,688,745
Investment property	9.2	2,560,000	1,366,390
Long-term receivables	7	91,670	161,126
Current assets		132,744,239	92,137,392
Inventory	8	449,769	410,823
Other debtors	10	17,558,814	7,748,694
VAT-claimable	6	64,789	0
Current portion of long-term debtors	7	55,916	202,893
Call investments	11	99,131,645	61,033,863
Bank and Cash	12	15,483,306	22,741,119
Total Assets		205,992,554	164,353,653



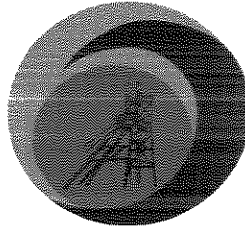
West Rand District Municipality
STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30 June 2009

		Actual	
	Note	2009 R	2008 R
REVENUE			
Property Rates		0	0
Service Charges		3,885,821	3,405,820
Rental of facilities & equipment		1,639,794	1,286,621
Interest earned - external investments		12,950,535	9,612,363
Interest earned - outstanding debtors		16,281	5,550
Licences & permits		74,095	89,464
Income for agency services	13	26,777,250	24,528,250
Government grants and subsidies	13	128,658,889	115,487,206
Other income	17	5,912,490	3,797,096
Sub total Revenue		179,915,155	158,212,370
Less Revenue foregone		0	0
Total Revenue		179,915,155	158,212,370
EXPENDITURE			
Employee related cost	14	80,449,802	73,559,718
Remuneration of Councillors	15	5,293,940	4,823,244
Bad debts		1,976,172	746,140
Collection cost		35,358	170,648
Depreciation		10,159,552	4,656,720
Repairs & maintenance		3,290,278	3,840,471
Interest paid/Capital Charges	18	1,636,337	1,832,867
Contracted services		0	3,122
Grants & Subsidies paid		4,667,126	13,043,781
General expenses	16	36,852,332	32,635,675
Loss on disposal of property, plant and equipment	9.1	189,399	11,974,425
Total expenditure		144,550,296	147,286,811
SURPLUS/(DEFICIT)		35,364,859	10,925,559
SURPLUS/(DEFICIT) FOR THE YEAR		35,364,859	10,925,559



West Rand District Municipality
STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 30 JUNE 2009

	Note	Capitalisation Reserve	Transport Fund	Capital Replacement Reserve	Government Grant reserve	Donations & Public Contributions Reserve	Revaluation Reserve	Accumulated Surplus/(deficit)	Total
2008									
Balance at 1 July 2008		0	2,090,878	6,071,449	20,048,000	0	0	49,315,549	77,525,876
Correction of error		0	0	0	0	0	0	-2,752,020	-2,752,020
Restated Balance		0	2,090,878	6,071,449	20,048,000	0	0	46,563,529	74,773,856
Surplus/(deficit) for the year		0	0	0	0	0	0	10,925,559	10,925,559
Reserves utilised in operating		0	-909,122	0	0	0	0	909,122	0
Transfer to CRR		0	0	13,950,000	0	0	0	-13,950,000	0
Property, Plant & Equipment purchased		0	0	-7,046,754	0	0	0	7,046,754	0
Capital grants used to purchase PPE		0	0	0	629,316	0	0	-629,316	0
Offsetting of Depreciation		0	0	0	-278,630	0	0	278,630	0
Other transfers		0	173,450	1,157,000	0	0	0	-33,121	1,297,329
Balance at 30 June 2008		0	1,355,206	14,131,695	20,398,686	0	0	51,111,157	86,996,744
2009									
Correction of error	19.1	0	0	0	0	0	0	0	0
Change in Accounting policy	19.2	0	0	0	0	0	32,887,499	0	32,887,499
Restated Balance		0	1,355,206	14,131,695	20,398,686	0	32,887,499	51,111,157	119,884,243
Surplus/(deficit) for the year		0	0	0	0	0	0	35,364,859	35,364,859
Reserves utilised in operating		0	-705,181	0	0	0	0	705,181	0
Transfer to CRR		0	0	14,242,450	0	0	0	-14,242,450	0
Property, Plant & Equipment purchased		0	0	-6,506,131	-33,128	0	0	6,539,259	0
Capital grants used to purchase PPE		0	0	0	0	0	0	0	0
Offsetting of Depreciation		0	0	0	0	0	0	0	0
Transfer to provisions		0	0	0	0	0	0	0	0
Other transfers		0	107,782	0	0	0	0	-17,605,446	-17,605,446
Balance at 30 June 2009	19.3	0	757,807	21,868,014	20,365,558	0	32,887,499	-1,177,873	136,573,565



West Rand District Municipality

CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2009

	Note	2008 R	2008 R
CASH FLOW FROM OPERATING ACTIVITIES			
Cash receipts from ratepayers, government and other		178,781,374	153,716,405
Cash paid to suppliers and employees		-146,467,623	-138,931,931
Cash generated from/(utilised in) operations	20	32,313,751	14,784,474
Interest received		12,950,535	9,612,363
Interest paid		-1,636,337	-1,832,867
NET CASH FROM OPERATING ACTIVITIES		43,627,949	22,563,970
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		-12,517,486	-14,194,726
Decrease in non-current receivables		69,456	31,676
Decrease in call investment deposit		-38,097,782	-10,649,452
NET CASH FROM INVESTING ACTIVITIES		-50,545,812	-24,812,502
CASH FLOWS FROM FINANCING ACTIVITIES			
New loans raised/(repaid)		-339,950	2,014,042
NET CASH FROM FINANCING ACTIVITIES		-339,950	2,014,042
NET DECREASE IN CASH AND CASH EQUIVALENTS		-7,257,813	-234,490
Cash and cash equivalents at the beginning of the year		22,741,119	22,975,609
Cash and cash equivalents at the end of the year		15,483,306	22,741,119
		7,257,813	234,490

WEST RAND DISTRICT MUNICIPALITY

ACCOUNTING POLICIES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

1. BASIS OF PRESENTATION

The annual financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention, unless otherwise stated. Except for the revaluation of land and buildings, which are carried at market and replacement value. (Grap 17)

These annual financial statements have been prepared in accordance with Generally Accepted Municipal Accounting Practices (GAMAP) and Generally Recognised Accounting Practice (GRAP). These accounting policies are consistent with those of the previous financial year except for property, plant and equipment.

The financial statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practices (GRAP) and the Standards of Generally Accepted Municipal Accounting Practices (GAMAP) prescribed by the Minister of Finance in terms of:

General Notice 991 of 2005, issued in Government Gazette no. 28095 of 7 December 2005; and
General Notice 992 of 2005, issued in Government Gazette no. 28095 of 15 December 2005.

The standards comprise of the following:

GRAP 1	Presentation of Financial Statements
GRAP 2	Cash Flow Statements
GRAP 3	Accounting Policies, Changes in Accounting Estimates and Errors
GAMAP 4	The Effects of Changes in Foreign Exchange Rates
GAMAP 6	Consolidated Financial Statements and Accounting for Controlled Entities
GAMAP 7	Accounting for Investments in Associates
GAMAP 8	Financial Reporting of Interests in Joint Ventures
GAMAP 9	Revenue
GAMAP 12	Inventories
GAMAP 17	Property, Plant and Equipment
GAMAP 19	Provisions, Contingent Liabilities and Contingent Asset

Accounting policies for material transactions, events or conditions not covered by the above GRAP and GAMAP Standards have been developed in accordance with paragraph 7, 11 and 12 of GRAP 3. These accounting policies and the applicable disclosures have been based on the South African Statements of Generally Accepted Accounting Practices (GAAP) including any interpretations of such Statements issued by the Accounting Practices Board. A summary of the significant accounting policies are disclosed below.

The principal accounting policies adopted in the preparation of these annual financial statements are set out below.

Assets, liabilities, revenues and expenses have not been offset except when offsetting is required or permitted by a Standard of GAMAP or GRAP.

2. PRESENTATION CURRENCY

These annual financial statements are presented in South African Rand.

3. GOING CONCERN ASSUMPTION

These annual financial statements have been prepared on a going concern basis.

4. RESERVES

4.1 Capital Replacement Reserve (CRR)

In order to finance the provision of infrastructure and other items of property, plant and equipment from internal sources, amounts are transferred from the accumulated surplus/ (deficit) to the CRR in terms of a Council resolution. A corresponding amount is transferred to a designated CRR bank or investment account. The cash in the designated CRR bank account can only be utilised to finance items of property, plant and equipment. The CRR is reduced and the accumulated surplus/ (deficit) are credited by a corresponding amount when the amounts in the CRR are utilised.

The amount transferred to the CRR is based on the municipality's need to finance future capital projects included in the Integrated Development Plan.

4.2 Government Grant Reserve

When items of property, plant and equipment are financed from government grants, a transfer is made from the accumulated surplus/ (deficit) to the Government Grants Reserve equal to the Government.

Grants are recorded as revenue in the Statement of Financial Performance in accordance with a directive (budget circular) issued by National Treasury. When such items of property, plant and equipment are depreciated, a transfer is made from the Government Grant Reserve to the accumulated surplus/(deficit). The purpose of this policy is to promote community equity by ensuring that the future depreciation expenses that will be incurred over the useful lives of government grant funded items of property, plant and equipment are offset by transfers from this reserve to the accumulated surplus/(deficit).

When an item of property, plant and equipment financed from government grants is disposed, the balance in the Government Grant Reserve relating to such item is transferred to the accumulated surplus/(deficit).

4.3 Donations and Public Contributions Reserve

When items of property, plant and equipment are financed from public contributions and donations, a transfer is made from the accumulated surplus/(deficit) to the Donations and Public Contributions Reserve equal to the donations and public contributions recorded as revenue in the Statement of Financial Performance in accordance with a directive (budget circular) issued by National Treasury. When such items of property, plant and equipment are depreciated, a transfer is made from the Donations and Public Contributions Reserve to the accumulated surplus/(deficit). The purpose of this policy is to promote community equity and facilitate budgetary control by ensuring that sufficient funds are set aside to offset the future depreciation charges that will be incurred over the estimated useful life of the

item of property, plant and equipment financed from donations and public contributions.

When an item of property, plant and equipment financed from government grants is disposed, the balance in the Donations and Public Contributions Reserve relating to such item is transferred to the accumulated surplus/(deficit).

5. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment, is stated at cost, less accumulated depreciation and impairment losses, except land as indicated below.

Heritage assets, which are culturally significant resources and which are shown at cost, are not depreciated owing to the uncertainty regarding their estimated useful lives. Similarly, land is not depreciated as it is deemed to have an indefinite life.

Where items of property, plant and equipment have been impaired, the carrying value is adjusted by the impairment loss, which is recognised as an expense in the period that the impairment is identified.

The cost of an item of property, plant and equipment acquired comprises its purchase price, including import duties and non-refundable taxes, and any directly attributable cost incurred in the acquisition, establishment and installation of such assets so as to bring them to working condition for their intended use.

The cost of an item of property, plant and equipment acquired in exchange for a non-monetary asset or monetary assets, or a combination of monetary and non-monetary assets was measured at its fair value. If the acquired item could not be measured at its fair value, its cost was measured at the carrying amount of the asset given up.

Subsequent expenditure is capitalised when the recognition and measurement criteria of an asset are met.

Residual Value

The West Rand District Municipality maintains and acquires assets to provide a social service to the community with no intention of disposing the assets for any economic gain and thus a residual value of R1 is determined.

Property, plant and equipment (excluding land) are depreciated to a R1 value. Where there are residual values these are not material. Assets with a value less than R2000 and a life span of 1 year and less are deemed to be consumable items. Depreciation periods were reviewed for all assets depreciated to a R1.00 value but are still in a usable condition to 50% of the original lifespan of the asset.

Depreciation

Depreciation is calculated on cost, using the straight-line method over the estimated useful lives of the assets. Depreciation of assets commence when the asset is ready for its intended use. The annual depreciation rates are based on the following estimated asset lives:-

Infrastructure	<u>Years</u>	Other	<u>Years</u>
Roads and Paving	30	Buildings	30
Pedestrian Malls	30	Specialist vehicles	10
Electricity	20-30	Other vehicles	3-5
Water	15-20	Office equipment	3-7
Sewerage	15-20	Furniture and fittings	7-10
		Watercraft	15
		Bins and containers	5
Community		Specialised plant and equipment	10-15
Buildings	30	Other items of plant and equipment	2-5
Recreational Facilities	20-30	Landfill sites	15
Security	5		

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, the term of the relevant lease if there is reasonable certainty that the municipality will obtain ownership by the end of the lease term.

The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying value and is recognised in the Statement of Financial Performance.

Where the carrying amount of an item of property, plant and equipment is greater than the estimated recoverable amount, it is written down immediately to its recoverable amount and an impairment loss is charged to the Statement of Financial Performance.

Revaluation of land and buildings

Land and buildings are stated at revalued amounts, being the fair value at the date of the revaluation that for purposes of the asset register will be the value as per general valuation done in terms of the property rates act, less subsequent accumulated depreciation.

Intangible assets

Intangible assets are carried at cost less accumulated amortisation and any impairment losses.

Software is amortised on a straight-line basis over its anticipated useful life.

By their nature, servitudes have an indefinite useful life and are not amortised.

Web site costs are expensed when it is incurred as it primarily provides information to the public at large on the generation of future economic benefits or service potential.

6. INVESTMENTS

6.1 Financial Instruments

Financial instruments, which include listed government bonds, unlisted municipal bonds, fixed deposits and short-term deposits invested in registered commercial banks, are recorded at cost and remeasured to fair value at subsequent reporting dates.

Changes in the fair value of financial instruments that are designated and effective as cash flow hedges are recognised directly in the accumulated surpluses/ (deficits). Amounts deferred in net assets are recognised in the Statement of Financial Performance in the same period in which the hedged firm commitment or forecasted transaction affects net surplus/ (deficit).

Changes in the fair value of financial instruments that do not qualify for hedge accounting are recognised in the Statement of Financial Performance as they arise.

7. INVENTORIES

Inventories include consumables stores, maintenance materials, spare parts for plant and equipment and land and or property held for sale. Cost is determined by the weighted average method and comprises all costs of purchases, cost of development, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Inventories are stated at the lower of cost and the current replacement cost where current replacement cost represents the cost the municipality would incur to acquire the item on the reporting date.

When inventories are sold, exchanged or distributed the carrying amount of those inventories shall be recognised as an expense in the period in which the related revenue is recognised. If there is no related revenue, the expense is recognised when goods are distributed or related service is rendered.

The amount of any write-down of inventories and all losses of inventories shall be recognised as an expense in the period the write-down or loss occurs. The amount of any write-down of inventories, arising from an increase in the net realisable value, shall be recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

8. ACCOUNTS RECEIVABLE

Debtors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of debtors is established when there is objective evidence that the municipality will not be able to collect all amounts due according to the original terms of the debtors. The amount of the provision is the difference between the assets carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. Impairment losses are recognised in the Statement of Financial Performance.

Accounts receivable are carried at anticipated realisable value. An estimate is made for doubtful receivables based on a review of all

outstanding amounts at year-end. Bad debts are written off during the year in which they are identified. Amounts that are receivable within 12 months from the reporting date are classified as current.

9. TRADE CREDITORS

Trade creditors are stated at their nominal value.

10. REVENUE RECOGNITION

10.1 Revenue from Exchange Transactions

Interest and rentals are recognised on a time proportion basis.

Income for agency services is recognised on a monthly basis once the income collected on behalf of agents has been quantified. The income recognised is in terms of the agency agreement.

Revenue from the sale of goods is recognised when the risk and rewards of ownership are passed to the purchaser.

Revenue from public contributions is recognised when all conditions associated with the contribution have been met or where the contribution is to finance property, plant and equipment, when such items of property, plant and equipment is brought into use. Where public contributions have been received but the municipality has not met the condition, a liability is recognised.

10.2 Revenue from non-exchange transactions

Revenue from property rates is recognised when the legal entitlement to this revenue arises. Collection charges are recognised when such amounts are legally enforceable. Penalty interest on unpaid rates is recognised on a time proportion basis.

Donations are recognised on a cash receipt basis or where the donation is in the form of property, plant and equipment, at the fair value of the consideration received or receivable.

Contributed property, plant and equipment are recognised when such items of property, plant and equipment are transferred to the municipality.

Revenue from the recovery of unauthorised, irregular, fruitless and wasteful expenditure is based on legislated procedures, including those set out in the Municipal Finance Management Act (Act No.56 of 2003) and is recognised when the recovery thereof from the responsible councillors or officials is virtually certain.

11. CONDITIONAL GRANTS AND RECEIPTS

Revenue received from conditional grants, donations and funding are recognised as revenue to the extent that the Municipality has complied with any of the criteria, conditions or obligations embodied in the agreement. To the extent that the criteria, conditions or obligations have not been met a liability is recognised.

12. PROVISIONS

Provisions are recognised when the Municipality has a present or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the provision can be made. Provisions are reviewed at reporting sheet date and adjusted to reflect the current best estimate. Non-current provisions are discounted to the present value using a discount rate based on the average cost of borrowing to the Municipality.

13. CASH AND CASH EQUIVALENTS

Cash includes cash on hand and cash with banks. Cash equivalents are short-term highly liquid investments that are held with registered banking institutions with maturities of three months or less and are subject to an insignificant risk of change in value.

For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held on call with banks and investments in financial instruments, net of bank overdrafts.

Bank overdrafts are recorded based on the facility utilised. Finance charges on bank overdraft are expensed as incurred.

14. UNAUTHORISED EXPENDITURE

Unauthorised expenditure is expenditure that has not been budgeted, expenditure that is not in terms of the conditions of an allocation received

from another sphere of government, municipality or organ of state and expenditure in the form of a grant that is not permitted in terms of the Municipal Finance Management Act (Act No.56 of 2003). Unauthorised expenditure is accounted for as an expense in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

15. IRREGULAR EXPENDITURE

Irregular expenditure is expenditure that is contrary to the Municipal Finance Management Act (Act No.56 of 2003), the Municipal Systems Act (Act No.32 of 2000), and the Public Office Bearers Act (Act No. 20 of 1998) or is in contravention of the Municipality's supply chain management policy. Irregular expenditure excludes unauthorised expenditure. Irregular expenditure is accounted for as expenditure in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

16. FRUITLESS AND WASTEFUL EXPENDITURE

Fruitless and wasteful expenditure is expenditure that was made in vain and would have been avoided had reasonable care been exercised. Fruitless and wasteful expenditure is accounted for as expenditure in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

17. COMPARATIVE INFORMATION

17.1 Current year comparatives:

Budgeted amounts have been included in the annual financial statements for the current financial year only.

17.2 Prior year comparatives:

When the presentation or classification of items in the annual financial statements is amended, prior period comparative amounts are reclassified. The nature and reason for the reclassification is disclosed.

18. LEASES

The Municipality as Lessee

Leases are classified as finance leases where substantially all the risks and rewards associated with ownership of an asset are transferred to the municipality. Property, plant and equipment subject to finance lease agreements are capitalised at their cash cost equivalent and the corresponding liabilities are raised. The cost of the item of property, plant and equipment is depreciated at appropriate rates on the straight-line basis over its estimated useful life. Lease payments are allocated between the lease finance cost and the capital repayment using the effective interest rate method. Lease finance costs are expensed when incurred.

Leases where the lessor retains substantially all the risks and rewards of ownership are classified as operating leases. Operating lease payments are charged to the statement of financial performance on a straight-line basis over the period of the lease.

The Municipality as Lessor

Assets leased to third parties under operating leases are included in property, plant and equipment in the statement of financial position. These assets are depreciated over their expected useful lives on a basis consistent with similar owned property, plant and equipment.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease.

19. RETIREMENT BENEFITS

The municipality contributes to retirement benefit plans and after retirement contributions to medical aid funds

i) Defined benefit plans

The defined benefit funds, which are administered on a provincial basis, are actuarially valued triennially on the projected unit credit method basis. Deficits identified are recognised as a liability and are recovered through lump sum payments or increased future contributions on a proportional basis to all participating municipalities.

ii) Defined contribution plans

The contributions to fund obligations for the payment of retirement benefits are charged to the statement of financial performance in the same period as the related service is provided.

iii) Post-retirement medical benefits

The municipality contributes to the medical fund of certain ex-employees. These benefits are charged to the statement of financial performance in the year of payment.

19. BORROWING COSTS

Borrowing costs are recognised as an expense in the Statement of Financial Performance.

20. INTERNAL FINANCING OF PROPERTY, PLANT AND EQUIPMENT

In order to finance the provision of infrastructure and other items of property, plant and equipment, amounts are provided from cash surpluses generated.

21. WESMET

Memo statements are included in the annual financial statements regarding the TRANSPORT FUND partly funded by GAUTRANS.

West Rand District Municipality

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

	2009	2008
	R	R
1 TRANSPORT FUND		
Transport Fund	757,807	1,355,207
Unappropriated Surplus	1,355,207	2,090,879
Transfers from Operating Income	107,781	173,450
Transfers for expenditure incurred	-705,181	-909,122
Bank and cash	757,807	1,355,207
Total Transport Fund: Assets and Liabilities	0	0

2 LONG-TERM LIABILITIES		
Annuity Loans	15,725,331	17,784,341
Capital Lease liability	5,595,581	3,876,523
	21,320,912	21,660,864
Less : Current portion annuity	-2,214,839	-2,441,530
Less : Current portion leases	-6,041,592	-2,653,726
Total External Loans	13,064,481	16,565,608

Refer to Appendix A for more detail on long-term liabilities.

3.1 PROVISIONS		
Project provision	17,944,013	11,385,187
Total Provisions	17,944,013	11,385,187

The movement in the non-current provision is reconciled as follows :-

Balance at beginning of year	11,385,187	12,930,646
Contributions to provision	17,605,446	8,843,240
Transferred to expenditure	-11,046,620	-10,388,699
Balance at end of year	17,944,013	11,385,187

4 CREDITORS		
Trade creditors	1,368,315	3,718,482
Payments received in advance	137,082	782,048
Staff leave provision	4,898,824	4,071,870
Staff performance bonus provision	752,299	
	7,156,520	8,572,400

West Rand District Municipality

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

2009
R

2008
R

5 UNSPENT CONDITIONAL GRANTS AND RECEIPTS

5.1 Conditional Grants from other spheres of Government

Finance Management Grant

Capacity Building Grant

MSIG

LED Grants-water and sanitation

HIV/Aids Grant

Bekkersdal Urban Renewal

MIG

Transition Grant

22,997,542	1,979,008
0	21,287
0	0
0	245,885
18,573,000	0
2,164,543	1,001,497
375,032	375,032
1,855,000	282,000
29,967	53,307

5.2 Other Conditional Receipts

Industrial Development Corporation

0	0
0	0

Total Conditional Grants and Receipts

22,997,542	1,979,008
------------	-----------

See Note 13 for reconciliation of grants from other spheres of government.
These amounts are invested in a ring-fenced investment until utilised.

6 VAT

VAT payable/claimable

-64,789	419,138
---------	---------

VAT is payable on the receipts basis. Once payment is received from debtors VAT is paid over to SARS

7 LONG-TERM RECEIVABLES

Internal learner ship (studyassistance employees WRDM)

147,586	364,019
---------	---------

Less : Current portion transferred to current receivables

55,916	202,893
--------	---------

Internal learner ship (studyassistance employees WRDM)

55,916	202,893
--------	---------

Total

91,670	161,126
--------	---------

8 INVENTORY

Consumable stores -- at cost

449,769	410,823
---------	---------

Total Inventory

449,769	410,823
---------	---------

9.1 PROPERTY, PLANT AND EQUIPMENT
30-Jun-09

30-Jun-08	Land and Buildings	Infra- structure	Community	Heritage	Other	Total
Reconciliation of Carrying Value	R	R	R	R	R	R
Carrying values at 1 July 2008	24,891,348	2,752,807	1,475,298	0	10,048,180	39,167,633
Cost	28,131,296	3,182,421	1,475,298	0	19,909,879	52,698,894
Less investment assets	1,974,591	0	0	0	0	1,974,591
Accumulated depreciation	-5,214,539	-429,614	0	0	-9,861,699	-15,505,852
Revaluations	24,613,884	-214,358	8,516,782	0	-28,806	32,887,498
Cost	63,759,398	-533,093	8,516,782	0	-63,164	71,679,923
Accumulated depreciation	-39,145,514	318,735	0	0	34,355	-38,792,424
Restated Balance 1 July 2008	49,505,232	2,538,449	9,992,080	0	10,019,371	72,055,132
Acquisitions	3,418,031	842,562	0	0	8,256,893	12,517,486
Depreciation	-3,218,765	-83,507	0	0	-6,857,129	-10,159,401
Carrying value of disposals	0	0	0	0	-270,801	-270,801
Cost	0	0	0	0	-1,432,238	-1,432,238
Accumulated depreciation	0	0	0	0	1,161,437	1,161,437
Revaluation	-221,242	-764,482	0	0	0	-985,724
Other movements (cost)					51	51
Carrying values at 30 June 2009	49,483,256	2,533,022	9,992,080	0	11,148,283	73,156,641
Cost	94,502,074	2,727,408	9,992,080	0	26,671,319	133,892,881
Investment assets	2,560,000	0	0	0	0	2,560,000
Accumulated depreciation	-47,578,818	-194,386	0	0	-15,523,036	-63,296,240

30-Jun-08	Land and Buildings	Infra- structure	Community	Heritage	Other	Total
Reconciliation of Carrying Value	R	R	R	R	R	R
Carrying values at 1 July 2007	29,455,653	50,849	2,201,520	0	7,921,490	39,629,512
Cost	34,107,572	960,556	2,201,520	0	20,833,214	58,102,862
Accumulated depreciation	-4,651,919	-909,707	0	0	-12,911,724	-18,473,350
Investment assets	1,974,591					1,974,591
Restated Balance 1 July 2007	31,430,244	50,849	2,201,520	0	7,921,490	41,604,103
Acquisitions	4,807,893	2,354,728	0	0	513,448	7,676,069
Depreciation	-562,568	-125,726	0	0	-3,968,425	-4,656,720
Carrying value of disposals	-4,507,121	-5,835,893	-726,222	0	-905,240	-11,974,476
Cost	-4,507,070	-8,441,712	-726,222	0	-7,923,690	-19,598,694
Accumulated depreciation	-51	605,819	0	0	7,018,450	7,624,218
Impairment losses	0	0	0	0	0	0
Other movements	-6,277,099	6,308,849	0	0	6,486,907	6,518,657
Carrying values at 30 June 2008	24,891,348	2,752,807	1,475,298	0	10,048,180	39,167,633
Cost	28,131,296	3,182,421	1,475,298	0	19,909,879	52,698,894
Less investment assets	1,974,591					1,974,591
Accumulated depreciation	-5,214,539	-429,614	0	0	-9,861,699	-15,505,852

9.2 INVESTMENT PROPERTY

Cost	1,366,390
Fair value	2,560,000
Total investment Property	2,560,000 1,366,390

Revenue earned from the investment property (BP Garage) is included in the statement of financial performance

9.3 CHANGES IN ACCOUNTING POLICY

During 2007 the WRDM changed its accounting policy with respect to the treatment of components of the property, plant and equipment. The effect of the policy is that in the current year assets with a balance of R1 were revalued by 50% of the original cost. Depreciation will be calculated according to the determined useful life of those assets.

West Rand District Municipality

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

	2009	2008
	R	R

10 OTHER DEBTORS (RSC and Bulk services)

	Gross Balances R	Provision for Bad Debts R	Net Balance R
As at 30 June 2009			
Other debtors			
Ambulance	14,907,087	1,350,142	13,556,945
Other	8,152,368	4,150,499	4,001,869
Total	23,059,455	5,500,641	17,558,814

An amount of R13,555,750 is included in Ambulance debtors for subsidy outstanding for the 3 and 4 quarter

As at 30 June 2008			
Other debtors			
RSC Levies	6,394,148	6,394,148	0
Ambulance	9,079,181	2,468,431	6,610,750
Other	4,441,979	3,304,035	1,137,944
Total	19,915,308	12,166,614	7,748,694

RSC: Ageing

Current (0 – 30 days)	0	33,528
31 - 60 Days	0	804
61 - 90 Days	0	6,664
91 - 120 Days	0	322
+ 121 Days	0	6,352,830
Total	0	6,394,148

Ambulance

Current (0 – 30 days)	423,160	315,072
31 - 60 Days	13,606,716	6,942,397
61 - 90 Days	190,598	118,766
91 - 120 Days	132,905	99,044
+ 121 Days	553,708	1,603,902
Total	14,907,087	9,079,181

Other

Current (0 – 30 days)	571,364	1,845,609
31 - 60 Days	3,894,800	183,090
61 - 90 Days	192,533	70,096
91 - 120 Days	163,115	76,223
+ 121 Days	3,330,555	2,266,961
Total	8,152,368	4,441,979

An amount of R3746567 is included in total for Vat outstanding

West Rand District Municipality

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

	2009	2008
	R	R
Reconciliation of the bad debts provision		
Balance beginning of the year	12,166,614	29,953,622
Contributions to provision	846,464	1,575,414
Bad debts written off against provision	-6,394,148	-19,362,422
Reversal of provision	-1,118,289	0
Balance end of year	<u>5,500,641</u>	<u>12,166,614</u>
Amounts owed iro ambulance debtors are in terms of the service level agreement with the Department of Health and provided for as bad debt. Amounts written-off refers to ambulance fees not collected and written-off.		
11 CALL INVESTMENT DEPOSITS		
Other Deposits	<u>99,131,645</u>	<u>61,033,863</u>
12 BANK, CASH AND OVERDRAFT BALANCES		
The Municipality has the following bank account: -		
Current Account (Primary Bank Account)		
Standard Bank Corporate : Account Number 021307350		
Cash book balance at beginning of year	22,735,969	22,968,459
Cash book balance at end of year	<u>15,463,156</u>	<u>22,735,969</u>
Bank statement balance at beginning of year	22,905,315	29,360,204
Bank statement balance at end of year	<u>15,522,407</u>	<u>22,905,315</u>
Cash on hand	20,150	5,150
Bank balance and cash	<u>15,483,306</u>	<u>22,741,119</u>
13 GOVERNMENT GRANTS AND SUBSIDIES		
RSC Replacement grant	113,098,423	100,500,773
Equitable share	10,357,000	5,612,000
Provincial LED Projects	0	177,569
West Rand Development Agency	0	163,423
Provincial ambulance subsidies	26,777,250	24,528,250
HIV/Aids Grant	3,536,953	5,366,542
Urban renewal Bekkersdal	0	984,193
Other Conditional Grants	685,628	631,155
MSIG	980,885	1,422,236
Department of Transport	0	0
MIG Grant	0	629,315
Total Government Grants and Subsidies	<u>155,436,139</u>	<u>140,015,456</u>
13.1 Equitable Share		
In terms of the Constitution, this grant is used to subsidise the provision of basic services to indigent community members		
13.2 Provincial LED Projects		
Balance unspent at beginning of year	3,203	1,499,450
Current year receipts	0	0
Other transfers	0	-1,318,678
Conditions met - transferred to revenue	<u>0</u>	<u>-177,569</u>
Conditions still to be met - transferred to liabilities (see note 5)	<u>3,203</u>	<u>3,203</u>
This grant was used to construct roads and sewerage infrastructure as part of the upgrading of informal settlement areas (included in the roads and sewerage votes in Appendix B) No funds have been withheld.		

West Rand District Municipality

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

2009	2008
R	R

13.2 Provincial ambulance Subsidy

The subsidy was received by the WRDM to finance the ambulance service. As part of a service level agreement on behalf of the Department of Health.

13.3 HIV/Aids Grant

Balance unspent at beginning of year	1,001,497	4,285,039
Current year receipts	4,700,000	2,083,000
Conditions met - transferred to revenue	<u>-3,536,953</u>	<u>-5,366,542</u>
Conditions still to be met - transferred to liabilities (see note 5)	<u>2,164,544</u>	<u>1,001,497</u>

This grant was used to finance the HIV/Aids Campaigns at the WRDM and Local Municipalities

13.4 Bekkersdal Urban Renewal

Balance unspent at beginning of year	375,033	1,359,226
Current year receipts	0	0
Conditions met - transferred to revenue	<u>0</u>	<u>-984,193</u>
Conditions still to be met - transferred to liabilities (see note 5)	<u>375,033</u>	<u>375,033</u>

This grant was used to finance the urban renewal programme on behalf of the Provincial Government, the outstanding amount is the retention on this project.

13.5 Other Conditional Grants

Balance unspent at beginning of year	71,390	359,970
Current year receipts	641,000	500,000
Other transfers	0	-157,425
Conditions met - transferred to revenue	<u>-685,627</u>	<u>-631,155</u>
Conditions still to be met - transferred to liabilities (see note 5)	<u>26,763</u>	<u>71,390</u>

These grants include balances of the FMG and Local Government transition grants and are used to finance expenditure according to the approved business plan.

13.6 MSIG

Balance unspent at beginning of year	245,885	668,121
Current year receipts	735,000	1,000,000
Conditions met - transferred to revenue	<u>-980,885</u>	<u>-1,422,236</u>
Conditions still to be met - transferred to liabilities (see note 5)	<u>0</u>	<u>245,885</u>

This grant was utilised to finance expenditure of the implementation of the Property Rates Act and funding for the development of the IDP and Performance Management System

West Rand District Municipality

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

	2009	2008
	R	R
13.7 MIG		
Balance unspent at beginning of year	282,000	0
Current year receipts	1,573,000	911,315
Conditions met - transferred to revenue	0	-629,315
Conditions still to be met - transferred to liabilities (see note 5)	1,855,000	282,000

The Infrastructure grant is utilised to finance approved projects at the Local Municipalities.

14 EMPLOYEE RELATED COSTS

Employee related costs - Salaries and Wages	45726877	46,924,566
Employee related costs - Contributions to UIF, pensions and medical aids	22448912	13,304,340
Travel, motor car, accommodation, subsistence and other allowances	3838240	3,607,152
Housing benefits and allowances	1006687	1,018,020
Overtime payments	7070806	8,252,831
Performance bonus contribution	358280	452,810
Total Employee Related Costs	80,449,802	73,559,719

There were no advances to employees.

Remuneration of the Municipal Manager

Annual Remuneration	934,689	863,055
Performance Bonuses	0	0
Contributions to UIF, Medical and Pension Funds	0	0
Total	934,689	863,055

Remuneration of the Chief Financial Officer

Annual Remuneration	812,250	750,000
Performance Bonuses	0	0
Contributions to UIF, Medical and Pension Funds	0	0
Total	812,250	750,000

Remuneration of the Chief Operational Officer

Annual Remuneration	812,250	750,000
Performance Bonuses	0	0
Contributions to UIF, Medical and Pension Funds	0	0
Total	812,250	0

West Rand District Municipality

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

	2009	2008
	R	R
15 REMUNERATION OF COUNCILLORS		
Executive Mayor	568,675	510,230
Speaker	446,844	282,264
Mayoral Committee Members	2,246,900	2,080,107
Councillors	2,031,521	1,950,643
Councillors' pension contribution	0	0
Total Councillors' Remuneration	5,293,940	4,823,244

In-kind Benefits

The Executive Mayor, Deputy Executive Mayor, Speaker and Executive Committee Members are full-time. Each is provided with an office and secretarial support at the cost of the Council.

The Executive Mayor is entitled to stay at the mayoral residence owned by Council at no cost. The Executive Mayor has use of a Council owned vehicle for official duties.

The Executive Mayor has two full-time bodyguards.

16 General Expenses		
Vehicles : Fuel	1,313,811	1,303,602
Levies : Electricity/Water/Sewerage/Refuse	2,361,241	1,441,546
Professional Fees	10,094,563	3,785,590
Security Services	1,306,697	1,118,443
Telephone Cost/ Internet line/Data cards	1,876,142	2,249,531
Contribution Capital Expenditure	0	13,950,000
Insurance Premium/Excess payments	1,818,121	2,022,694
Other Cost	18,081,757	6,764,269
	36,852,332	32,635,675

17 Other Income		
Insurance Claims	187,892	1,172,175
Sale of Redundant Assets/ Refuse Bags	322,946	1,073,797
Other	8,717,858	1,551,124
	9,228,696	3,797,096

18 INTEREST PAID		
Long-term liabilities	1,636,337	1,832,866
Total Interest on External Borrowings	1,636,337	1,832,866

West Rand District Municipality

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

	2009 R	2008 R
19.1 CORRECTION OF ERROR		
19.1.1 Depreciation		
Previously reported	0	17,073,430
Correction (depreciation buildings)	0	4,650,119
Revaluation of land, buildings and infrastructure		
Restated balance	<u>0</u>	<u>21,723,549</u>
Adjustment on depreciation		
19.1.2 Assets		
Previously reported	39,167,633	
Revaluation of land, buildings and infrastructure	32,887,499	
Restated balance	<u>72,055,132</u>	<u>0</u>
19.1.2 Provisions		
Previously reported	0	113,885,187
Adjustment for provision on performance bonuses	0	452,809
Restated balance	<u>0</u>	<u>114,337,996</u>
19.1.3 Accumulated Surplus		
Previously reported		0
Adjustment (PAYE audit assessment)		1,352,050
Adjustment Depreciation	1,070,090	4,650,119
	<u>1,070,090</u>	<u>6,002,169</u>
19.1.4 Revaluation reserve		
Previously reported	0	0
Revaluation of land, buildings and infrastructure	-32,887,499	0
Restated balance	<u>-32,887,499</u>	<u>0</u>
19.2 CHANGE IN ACCOUNTING POLICY		
IMPLEMENTATION OF GRAP 17 (REVIEW OF USEFUL LIFE)		
19.2.1 Depreciation		
Previously reported		17,073,430
Correction		-3,250,149
Restated balance		<u>13,823,281</u>
Adjustment on depreciation		
19.2.2 Accumulated Surplus		
Previously reported		51,111,157
Adjustment Depreciation		3,250,149
Adjustment for accounting errors		-1,070,090
		<u>53,291,216</u>
20 CASH GENERATED BY OPERATIONS		
Surplus/(deficit) for the year	35,364,859	11,378,368
Adjustment for:-		
Correction of error		
Depreciation	10,159,552	4,656,771
Gain/loss on disposal of property, plant and equipment	-270,801	11,974,425
Other transfers	-1,177,873	-33,121
Offsetting of depreciation		
Contribution to provisions/reserves - non-current	-17,605,446	
Interest paid	1,636,337	1,632,867
Investment income	-12,950,535	-9,612,363
Operating surplus before working capital changes:	<u>15,156,093</u>	<u>20,196,947</u>
Decrease in inventories	38,946	-83,821
(Increase)/decrease in debtors	-9,727,932	1,963,159
Increase/(decrease) in other provisions & reserves	6,703,416	-1,685,787
(Decrease)/increase in unspent conditional grants and receipts	21,008,535	-6,356,220
(Decrease)/Increase in creditors	-888,682	771,746
Other adjustments	23,375	-21,550
Cash generated by/(utilised in) operations	<u>32,313,751</u>	<u>14,784,474</u>

West Rand District Municipality

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

2009	2008
R	R

21 CASH AND CASH EQUIVALENTS

Cash and cash equivalents included in the cash flow statement comprise the following statement of amounts indicating financial position :

Bank balances and cash	15,483,306	22,741,119
Call investment deposits	99,131,645	61,083,863
Total cash and cash equivalents	114,614,951	83,824,982

22 UTILISATION OF LONG-TERM LIABILITIES RECONCILIATION

Long-term liabilities (see Note 2)	17,784,339	24,410,624
Used to finance property, plant and equipment – Local Municipalities	17,784,339	24,410,624
Total	0	0

Long-term liabilities have been utilised to finance assets on behalf of the Local Municipalities and these assets are not included in the asset register of the District Municipality

23 ADDITIONAL DISCLOSURES IN TERMS OF MUNICIPAL FINANCE MANAGEMENT ACT

23.1 Contributions to organised local government

Opening balance	0	0
Council subscriptions	403,397	450,219
Amount paid - current year	-403,397	-450,219
Amount paid - previous years	0	0
Balance unpaid (included in creditors)	0	0

23.2 Audit fees

Opening balance	0	0
Current year audit fee	1,126,728	818,933
Amount paid - current year	-1,126,728	-818,933
Balance unpaid (included in creditors)	0	0

23.3 VAT

VAT inputs received and VAT outputs received are shown in note 6. All VAT returns have been submitted by the due date throughout the year.

23.4 PAYE and UIF

Opening balance	0	0
Current year payroll deductions	12,007,055	12,323,734
Amount paid - current year	-12,007,055	-12,323,734
Amount paid - previous years	0	0
Balance unpaid (included in creditors)	0	0

West Rand District Municipality

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

2009	2008
R	R

23.5 Pension and Medical Aid Deductions

Opening balance	0	0
Current year payroll deductions and Council Contributions	18,807,120	17,844,407
Amount paid - current year	-18,807,120	-17,844,407
Balance unpaid (included in creditors)	0	0

24 CAPITAL COMMITMENTS

Commitments in respect of capital expenditure:

- Approved and contracted for

Infrastructure

Community

3,144,590	23,459,478
6,426,400	1,900,000
9,570,990	25,359,478

Total

This expenditure will be financed from:

- Government Grants

- Own resources

4,376,000
20,983,478
0
25,359,478

25 RETIREMENT BENEFIT INFORMATION

All Councillors and employees belong to 3 defined benefit retirement funds administered by the Provincial Pension Fund. These funds are subject to a triennial actuarial valuation. The last valuation was performed in 2005. These valuations indicate that the funds are in a sound financial position.

An amount of R10,4m was contributed by Council in respect of Councillor and employees retirement funding. These contributions have been expensed.

26 EVENTS AFTER THE REPORTING DATE

All RSC debtors to be written off by the end off July 2008

27 COMPARISON WITH THE BUDGET

The comparison of the Municipality's actual financial performance with that budgeted is set out in Annexure E(1) and E(2).

28 LEASES

The Municipality complies with the international accounting standard on leases (IAS) 17) None of the operating lease agreements provide for any escalation and the lease payments therefore remain the same for the lease period. No additional disclosure in this regard is included for the above reason.

The total of future minimum lease payments under non-cancellable operating leases for each of the following periods.

(i) Not later than one year;	570,646	528,724
(ii) Later than one year and not later than five years;	5,024,935	6,430,223
(iii) Later than five years.	0	0

29 DEVIATIONS FROM PROCUREMENT PROCESSES

No deviations from the procurement processes for the year

West Rand District Municipality

APPENDIX A

SCHEDULE OF EXTERNAL LOANS AS AT 30 JUNE 2009

EXTERNAL LOANS	Loan Number	Redeemable	Balance at 2008-06-30	Received during the period ⁽¹⁾	Redeemed written off during the period	Balance at 2009-06-30	Carrying Value of Property, Plant & Equip ⁽²⁾	Other Costs in accordance with the MFMA
Annuity Loans								
DBSA loan 10%	1	2014-09-30	1,107,324	0	-128,199	979,125	0	0
DBSA loan 10%	2	2014-09-30	3,821,724	0	-442,466	3,379,258	0	0
DBSA loan 10%	3	2014-09-30	7,679,427	0	-889,098	6,790,329	0	0
DBSA loan 10%	4	2014-09-30	3,796,703	0	-439,570	3,357,133	0	0
DBSA loan 10%	5	2014-09-30	652,566	0	-75,552	577,014	0	0
DBSA loan 10%	6	2014-09-30	726,595	0	-84,123	642,472	0	0
			17,784,339		-2,059,008	15,725,331		
MTN Cell phone contracts	7		407,071	851,344	-470,828	787,587		
Standard Bank lease vehicles	8		3,032,726	4,747,993	-3,409,451	4,371,268		
Zevoli Rentals	9		436,726	477,132	-477,132	436,726		
			3,876,523	6,076,469	-4,357,411	5,595,581		
TOTAL EXTERNAL LOANS			21,660,862	6,076,469	-6,416,419	21,320,912	0	0

(1) Adjustments to interest accrued at year end are included in the received column.

(2) The DBSA loans were utilised to finance assets constructed on behalf of the Local Municipalities and therefore not included in the asset register of the WRDM

(3) Lease assets included in assets register

West Rand District Municipality

APPENDIX B

ANALYSIS OF PROPERTY, PLANT & EQUIPMENT AS AT 30 June 2009

	Cost/Revaluation						Accumulated Depreciation						Carrying Value	Budget additions 2009		
	Opening Balance	Revaluation	Restated	Additions	Revaluation	Sales/dispo sales	Closing Balance	Opening Balance	Revaluation	Restated	Additions	Review of			Disposals	Transfers
Land and Buildings																
Land and Buildings	30,105,887	63,359,023	93,464,910	3,418,031	-2,380,867		94,502,074	-5,214,488	-39,145,514	-44,360,002	-3,218,765	0	0	0	-47,578,767	46,923,307
Investment Property		400,375	400,375		2,159,625		2,560,000								2,560,000	34,691,339
	30,105,887	63,759,398	93,865,285	3,418,031	-221,242		97,062,074	-5,214,488	-39,145,514	-44,360,002	-3,218,765	0	0	0	-47,578,767	49,483,307
Infrastructure																
Water mains & Purificatio	2,470,608	-79,032	2,391,576	608,500	-608,500		2,391,576	0	-31,614	-31,614	-31,614	0	0	0	-63,228	2,328,348
Security Measures	711,813	-454,081	257,752	234,062	-155,982		335,832	-429,614	350,349	-79,265	-51,893	0	0	0	-131,158	2,250,000
	3,182,421	-533,093	2,649,328	842,562	-764,482		2,727,408	-429,614	318,735	-110,879	-83,507	0	0	0	-194,386	2,250,000
Community assets																
Recreation Grounds	1,394,298	8,516,782	9,911,080	0	0		9,911,080	0	0	0	0	0	0	0	0	9,911,080
Cemeteries	81,000	0	81,000	0	0		81,000	0	0	0	0	0	0	0	0	81,000
	1,475,298	8,516,782	9,992,080	0	0		9,992,080	0	0	0	0	0	0	0	0	9,992,080
Other Assets																
Office Equipment	5,205,358	1,322,581	6,527,939	1,631,856	-190,366		7,968,429	-1,319,729	-3,839,300	-1,703,561	0	135,853	0	5,407,008	2,562,421	
Furniture & Fittings	3,017,409	2,510	3,019,919	281,649	-63,358		3,238,210	-1,440,787	-1,253	-1,442,040	-445,263	0	42,736	0	-1,844,567	1,393,643
Emergency equipment	1,917,795	2,434,365	4,352,160	2,953,964	-100,048		7,206,076	-929,438	-811,964	-1,741,402	-2,060,370	0	66,608	0	-3,735,164	3,470,912
Motor Vehicles	1,203,002	296,852	1,499,854	0	-120,316		1,379,538	-155,439	-777,532	-156,959	0	100,531	0	-833,960	545,578	
Other transport	20,340	0	20,340	0	0		20,340	-10,169	-10,169	-1,356	0	0	0	-11,525	8,815	
Plant & Equipment	2,091,027	492,134	2,583,161	861,237	-60,621		3,383,777	708,018	-1,025,632	-1,331,565	0	79,861	0	-2,277,386	1,106,441	
Lease assets	6,454,948	-4,611,606	1,843,342	2,528,187	-897,529		3,474,000	-2,606,042	1,614,722	-991,320	-1,158,206	0	735,952	0	-1,413,574	2,060,426
	19,909,879	-63,164	19,846,715	6,256,893	-1,432,238	0	26,671,370	9,861,750	34,355	-9,827,395	-6,857,280	0	1,161,541	0	-15,523,134	6,160,441
	54,673,485	71,679,923	126,353,408	12,517,486	-985,724	-1,432,238	136,452,932	-38,792,424	-54,298,276	-10,159,552	0	1,161,541	0	-83,296,287	73,158,645	44,301,780

West Rand District Municipality

Appendix C

SEGMENTAL ANALYSIS OF PROPERTY, PLANT & EQUIPMENT AS AT 30 JUNE 2009

	Cost/Revaluation					Accumulated Depreciation					Carrying Value	2009				
	Opening Balance	Revaluation	Restated	Additions	Disposals	Revaluation	Closing Balance	Opening Balance	Restated	Additions			Disposals	Transfers	Closing Balance	
Executive & Council	1,871,162	627,299	2,498,461	1,805,574	-182,353	0	4,121,682	-6,072,005	4,828,517	-1,243,488	-887,000	134,292	0	-1,996,196	2,125,486	3,320,000
Finance & Admin	21,983,427	32,902,679	54,886,106	949,608	-448,112	1,786,173	57,173,775	-2,218,732	-26,463,861	-28,682,593	-3,166,488	400,852	0	-31,448,229	25,725,546	115,000
Planning & Development	14,878,417	24,994,840	39,873,257	3,845,784	-84,367	-2,771,897	40,862,777	-1,711,090	-12,908,283	-14,619,373	-1,240,652	137,471	0	-15,722,554	25,140,223	38,256,080
Health	391,606	214,984	606,590	68,705	-23,819	0	651,476	-201,342	-55,624	-256,966	-178,403	13,613	0	-421,756	229,720	15,000
Community & Social	2,212,400	-2,212,400	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Public Safety	11,787,876	-1,277,332	10,510,544	5,841,819	-678,383	0	15,673,980	-5,223,461	646,608	-4,576,847	-4,297,817	470,054	0	-8,404,610	7,269,370	1,395,700
Sport & Recreation	1,394,298	16,426,364	17,820,662	0	0	0	17,820,662	0	-4,840,643	-4,840,643	-352,752	0	0	-5,193,395	12,627,267	1,200,000
Road transport	154,300	3,490	157,790	6,000	-15,202	0	148,588	-79,223	856	-78,367	-36,440	5,252	0	-109,555	39,033	0
Water	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL	54,673,486	71,679,924	126,353,410	12,517,490	-1,432,236	-985,724	136,452,940	-15,505,853	-38,792,430	-54,298,277	-10,159,552	1,161,534	0	-63,296,295	73,156,645	44,301,780

West Rand District Municipality

APPENDIX D

SEGMENTAL STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED

30-Jun-2009

2008 Actual Income	2008 Actual Expenditure	2008 Surplus/ (Deficit)	2009 Actual Income	2009 Actual Expenditure	2009 Surplus/ (Deficit)
0	0	0	0	0	0
3,673,099	47,518,588	-43,845,489	1,176,174	41,368,967	-40,192,793
112,237,636	22,478,077	89,759,559	130,098,538	16,107,399	113,991,139
2,596,370	11,831,649	-9,235,279	293,338	14,258,073	-13,964,735
32,232,658	33,351,808	-1,119,150	36,083,636	36,023,266	60,370
7,432,510	28,632,918	-21,200,408	12,222,767	30,165,058	-17,942,291
40,097	668,901	-628,804	40,702	1,148,995	-1,108,293
0	2,804,870	-2,804,870	0	5,478,538	-5,478,538
0	0	0	0	0	0
158,212,370	147,286,811	10,925,559	179,915,155	144,550,296	35,364,859
158,212,370	147,286,811	10,925,559	179,915,155	144,550,296	35,364,859

West Rand District Municipality
Appendix E(1)

ACTUAL VERSUS BUDGET (REVENUE & EXPENDITURE) FOR THE YEAR ENDED 30 JUNE 2009

	Actual 2009 R	Budget 2009 R	Variance 2009 R	Variance 2009 %	Explanation of significant Variances
REVENUE					
Service Charges	3,885,821	3,441,360	-444,461	11.4	Additional levies on fire accounts
RSC Levies	0	0	0	0.0	
Rental : Property & Equipment	1,639,794	1,457,800	-181,994	11.1	
Interest earned - external investment	12,950,535	9,500,000	-3,450,535	26.6	Additional cash to invest
Interest earned - outstanding debtors	16,281	9,500	-6,781	41.6	Handover of debtors at a lesser rate
Licenses & Permits	74,095	80,000	5,905	-8.0	Income did not occur
Agency services	26,777,250	26,777,250	0		Levy income additional
Government grants & Subsidies	128,658,889	156,966,030	28,307,141	-22.0	Income did not occur
Other income	5,912,490	9,005,350	3,092,860	-52.3	Income did not occur
Total revenue	179,915,155	207,237,290			
Less Income forgone	0	0	0	0.0	
EXPENDITURE					
Employee related costs	80,449,802	85,510,220	5,060,418	-6.3	Vacancies not filled
Remuneration Councillors	5,293,940	5,421,630	127,690	-2.4	
Bad debts written-off	1,976,172	2,080,000	103,828	-5.3	Provision for bad debt on ambulance now also included
Collection costs	35,358	127,500	92,142	-260.6	Lessor account handed over to debt collectors
Depreciation	10,159,552	3,398,690	-6,760,862	66.5	Depreciation on lease assets/building components
Repairs & Maintenance	3,290,278	4,674,050	1,383,772	-42.1	Lease of vehicles with full maintenance
Interest on external borrowings	1,636,337	1,740,000	103,663	-6.3	Interest accrued included
Contracted services	0	0	0		Expenditure did not occur
Grants & Subsidies paid	4,667,126	29,953,830	25,286,704	-541.8	Projects not completed
General expenses- other	36,852,332	73,260,480	36,408,148	-98.8	Expenses did not occur
Internal transfers/Departmental charges	0	0	0	0.0	
Loss on disposal of PPP	189,399	0	-189,399	100.0	Transfer of assets/written off redundant assets
Internal transfers/Departmental charges	0	0	0		
Total expenditure	144,550,296	206,166,400			
NET SURPLUS/(DEFICIT)	35,364,859	1,070,890			

West Rand District Municipality

APPENDIX E(2)

ACTUAL VERSUS BUDGET (ACQUISITION OF PROPERTY, PLANT & EQUIPMENT) FOR THE YEAR ENDED 30 June 2009

	Actual 2009 R	Budget 2009 R	Variance 2009 R	Variance 2009 %	Explanation of significant Variances
Land and Buildings					
Land and Buildings	4,026,531	38,802,080	34,775,549	89.62	Expenditure in DMA roll over
Infrastructure					
Security Measures	234,062	2,250,000	2,015,938	100.00	Upgrading of security roll over
Community Assets					
Recreation Grounds	0	1,200,000		100.00	Expenditure idid not occure
Other Assets					
Office Equipment	1,208,141	100,000	-1,108,141	0	Saving on expenditure
Furniture & Fittings	281,649	129,500	-152,149	-117.49	Saving on office equipment used for furniture
Emergency equipment	2,421,583	0	-2,421,583	0	
Motor Vehicles	0	0	0	0	
Computer equipment	423,715	425,000	-1,285	0.30	Saving on expenditure
Plant & Equipment	1,393,618	1,395,200	2,788,818	0.11	Saving on expenditure
Lease Assets	2,528,187				
	12,517,486	44,301,780			
	12,517,486	44,301,780			

West Rand District Municipality
APPENDIX F

DISCLOSURES OF GRANTS AND SUBSIDIES IN TERMS OF SECTION 123 OF MFMA, 56 OF 2003

Name of Grants	Name of organ of state or municipal entity	Quarterly Receipts				Quarterly Expenditure			
		March	June	Sept	Dec	March	June	Sept	Dec
EMS Subsidy	Gauteng Health		0	0	13221500	6610750	0	6150361	6150361
RSC replacement grant	National Government		0	0	37687885	28266000	0	28274606	28274606
HIV/AIDS Grant	Gauteng Province		0	0	27000000	0	0	844238	844238
MSIP	National Government		0	73000	326000	322000	0	0	0
				73000	53935369	35198750		35269205	35269205

Name of Grants	Name of organ of state or municipal entity	Grants and Subsidies delayed / withheld				Reason for delay/withholding of funds	Did your municipality comply with the grant conditions in terms of grant framework in the latest Division of Revenue Act	Reason for non-compliance
		March	June	Sept	Dec			
							Yes / No	

AMBULANCE SERVICE
ANALYSIS OF OPERATING INCOME AND EXPENDITURE
FOR THE YEAR ENDED 30 JUNE 2009

Actual 2008 R		Actual 2009 R	Budget 2009 R
	INCOME		
24,528,250	Government grants & subsidies	26,777,250	26,443,000
1,473,065	Levies	1,875,323	1,400,000
864,801	Other income	177,582	990,450
<u>26,866,116</u>	Total income	<u>28,830,155</u>	<u>28,833,450</u>
	EXPENDITURE		
16,924,297	Salaries and wages	17,475,385	20,056,220
6,031,019	General expenses	5,201,909	7,364,690
1,888,381	Bad debt provision	1,799,669	1,120,000
72,032	Repairs and maintenance	65,965	292,540
58,439	Depreciation	58,517	-
<u>24,974,168</u>	Total expenditure	<u>24,601,445</u>	<u>28,833,450</u>
<u>1,891,948</u>	Operating (deficit)/surplus for the year	<u>4,228,710</u>	<u>0</u>

AMBULANCE SERVICE
INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2009

2008 Actual R		2009 Actual R	2009 Budget R
	SURPLUS/(DEFICIT) FROM ORDINARY ACTIVITIES		
1,891,948	Administration	4,228,710	-
<u>1,891,948</u>	NET (DEFICIT)/SURPLUS FOR THE YEAR	<u>4,228,710</u>	<u>-</u>
<u>1,891,948</u>	NET (DEFICIT)/SURPLUS BEFORE APPROPRIATIONS	<u>4,228,710</u>	<u>-</u>
(1,420,578)	UNAPPROPRIATED SURPLUS AT 1/7/2008	471,370	-
	TRANSFER TO PROVISIONS		
<u>471,370</u>	UNAPPROPRIATED DEFICIT AT END OF YEAR	<u>4,700,080</u>	<u>-</u>

WEST RAND DISTRICT MUNICIPALITY

CONSOLIDATED METROPOLITAN TRANSPORT FUND
ANALYSIS OF OPERATING INCOME AND EXPENDITURE
FOR THE YEAR ENDED 30 JUNE 2009

2008 Actual R		2009 Actual R	2009 Budget R
	INCOME		
173,450	Government grants & subsidies	107,781	0
<u>173,450</u>	Total income	<u>107,781</u>	<u>0</u>
	EXPENDITURE		
909,122	Projects	705,181	0
<u>909,122</u>	Total expenditure	<u>705,181</u>	<u>0</u>
<u>(735,672)</u>	Operating Surplus for the year	<u>(597,400)</u>	<u>0</u>

CONSOLIDATED METROPOLITAN TRANSPORT FUND
INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2009

2008 Actual R		2009 Actual R	2009 Budget R
	SURPLUS FROM ORDINARY ACTIVITIES		
(735,672)	Administration	(597,400)	0
<u>(735,672)</u>	NET SURPLUS FOR THE YEAR	<u>(597,400)</u>	<u>0</u>
<u>(735,672)</u>	NET SURPLUS BEFORE APPROPRIATIONS	<u>(597,400)</u>	<u>0</u>
2,090,879	UNAPPROPRIATED SURPLUS AT BEGINNING OF YEAR	1,355,207	0
<u>1,355,207</u>	UNAPPROPRIATED SURPLUS AT END OF YEAR	<u>757,807</u>	<u>0</u>

West Rand Development Agency
STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30 June 2009

		Actual	
	Note	2009 R	2008 R
REVENUE			
Service Charges		40,702	0
Other income		2,822,946	0
Gains on disposal of property, plant & equipment		0	0
Sub total Revenue		2,863,648	0
Less Revenue foregone		0	0
Total Revenue		2,863,648	0
EXPENDITURE			
Employee related cost		1,702,335	0
Depreciation		680,601	0
Repairs & maintenance		108,449	0
General expenses		2,558,494	0
Total expenditure		5,049,879	0
SURPLUS/(DEFICIT)		-2,186,231	0
Share of surplus/(deficit) of associate accounted for under equity method		0	0
SURPLUS/(DEFICIT) FOR THE YEAR		-2,186,231	0